- 1 Becker, President, et cetera, for Motion for Leave to Offer
- 2 Proof, and I'm basically, I'm familiar certainly with the
- 3 procedure under which that document was created.
- 4 MR. SHOOK: After subheading or after --
- 5 JUDGE SIPPEL: Paragraph five now.
- 6 MR. SHOOK: Yes, sir, the paragraph that begins
- 7 with a three.
- 8 JUDGE SIPPEL: Yes. It says "the FCC faults"?
- 9 MR. SHOOK: Correct. We are fine with the first
- 10 five sentences until we get to the ellipse, and then
- 11 beginning after that with "something the buyer was
- unprepared for financially continuing through the next to
- the last sentence. All of this appears to reference Mr.
- 14 Buchanan who is not here.
- 15 JUDGE SIPPEL: Exactly where does it end? I got
- 16 where it begins at "something the buyer was unprepared for
- 17 financially". Where does it end?
- 18 MR. SHOOK: With the terms of the sale. Actually,
- 19 Your Honor, I stand corrected there. Until the ellipse in
- 20 that same sentence, because what PCI could not in good
- 21 conscience do is certainly something that PCI can testify
- 22 to.
- JUDGE SIPPEL: So give me the language exactly.
- MR. SHOOK: Beginning with "something the buyer
- 25 was unprepared for financially".

- 1 JUDGE SIPPEL: Correct.
- 2 MR. SHOOK: Down to "CBCI refused to pay the
- 3 original agreed upon purchase price for good reason.
- 4 JUDGE SIPPEL: Good reason being in parens?
- 5 MR. SHOOK: Right.
- 6 JUDGE SIPPEL: Are you following that, Mr.
- 7 Southmayd?
- 8 MR. SOUTHMAYD: Yes, I am, Your Honor.
- JUDGE SIPPEL: Do you see that, Mr. Becker?
- 10 THE WITNESS: Yes.
- JUDGE SIPPEL: All right, now, the argument is
- 12 what again?
- 13 MR. SHOOK: That this concerns Mr. Buchanan or
- 14 Coastal Broadcast Communications, Inc.'s state of mind or
- 15 statements that may have been made, so to that extent, it's
- Mr. Becker or Peninsula, rather, attempting to testify as to
- 17 what Coastal said or thought.
- 18 JUDGE SIPPEL: I'm sorry, Mr. Southrnayd?
- 19 MR. SOUTHMAYD: If I might ask Mr. Becker what's
- 20 his basis for this testimony.
- 21 THE WITNESS: Well Mr. Buchanan informed me of the
- 22 facts that are here.
- 23 MR. SOUTHMAYD: So this is based on conversation
- or conversations you had with Mr. Buchanan directly?
- THE WITNESS: Yes. Um-hmm.

MR. SOUTHMAYD: Well, Your Honor, he's testifying 1 2 to his belief based on conversations he had with Mr. 3 Buchanan, specific conversations on these points. JUDGE SIPPEL: So you're basically objecting on 4 5 hearsay. MR. SHOOK: Yes, sir. 6 JUDGE SIPPEL: I have to sustain that objection. It is definitely hearsay. It's very specific information 8 that only Mr. Buchanan would be competent to testify to. I 9 10 sustain it. That language is stricken. 11 MR. SHOOK: Nothing further as far as objecting to any of PCI's exhibits. 12 JUDGE SIPPEL: Okay well subject to the objections 13 14 and my rulings, PCI Exhibit Number 1, your motion is granted, Mr. Southmayd, and PCI 1 is received in evidence at 15 this time, and that includes the sworn testimony and each of 16 the attached tabbed statements and documents that go along 17 with it, that go along with the sworn, written testimony of 18 Mr. Becker. 19 (The document referred to, 20 previously identified as PCI 2 1 Exhibit No. 1, was received in 22 evidence.) 23 24 MR. SOUTHMAYD: Thank you, Your Honor. 25 JUDGE SIPPEL: Now the witness is now, well are

- 1 you now going to proffer the witness for cross-examination?
- 2 MR. SOUTHMAYD: I do, Your Honor. He's available.
- JUDGE SIPPEL: Mr. Shook, you may proceed, sir.
- 4 MR. SHOOK: Thank you, Your Honor. Let me Becker
- 5 get his water first. Did you want to take a drink?
- 6 THE WITNESS: I'm just refilling. I'm ready.
- 7 CROSS-EXAMINATION
- BY MR. SHOOK:
- 9 Q Mr. Becker, you are the President of Peninsula
- 10 Communications, Inc.?
- 11 A Yes.
- 12 Q Your wife, Eileen, is Peninsula's Secretary-
- 13 Treasurer?
- 14 **A** Yes.
- 15 Q Have you been Peninsula's president since the
- 16 company's inception?
- 17 **A** Yes.
- 18 Q Did Peninsula issue stock at or about the time of
- 19 its incorporation?
- $\mathbf{A}$  Yes.
- 21 O To whom did Peninsula issue stock?
- 22 A Initial stockholders were David, Eileen, David and
- 23 Eileen Becker, Mark and Joyce Goodwin.
- 24 Q What role did Mark Goodwin and Joyce Goodwin have
- in Peninsula's formation?

- 1 A They were part of the -- Let me back up. Eileen
- 2 and I formed the company and after it was formed, we sold
- 3 stock to the Goodwins who entered the company I think
- 4 approximately 1979 and became part of the stockholders of
- 5 the company.
- 6 Q So they became investors?
- 7 A Yes, they purchased stock. They were also --
- 8 Q Did they --
- 9 A Excuse me.
- 10 Q Sorry.
- 11 A They purchased stock.
- 12 Q Did they have any role other than as investors?
- 13 A Yes. They were part of the station operation as
- 14 well.
- 15 Q What services did they perform?
- 16 A Mark Goodwin was general manager and Joyce Goodwin
- 17 did traffic and billing.
- 18 Q You would characterize them, then, as employees of
- 19 peninsula as well as investors?
- 20 A Yes.
- 21 Q Did there come a time when Mark Goodwin and Joyce
- 22 Goodwin sold all of their stock in Peninsula?
- 23 **A** Yes.
- Q Did Mark Goodwin sell all of his stock to your
- 25 wife, Eileen?

- 1 A I believe that's correct.
- 2 Q Did Joyce Goodwin sell all of her stock to you?
- 3 A Yes.
- 4 Q The sales by Mark and Joyce respectively to Eileen
- and you respectively occurred in, around October of 1982?
- 6 A Yes, I believe so.
- 7 Q Are you now a 50 percent owner of Peninsula?
- 8 A Yes.
- 9 Q Your wife, Eileen, owns the other 50 percent?
- 10 A Yes.
- 11 Q Since October of 1982, have you and Eileen been
- the only owners of Peninsula stock?
- 13 A Yes.
- 14 Q Since October of 1982, have you and Eileen always
- each owned 50 percent of Peninsula stock?
- 16 A Yes.
- 17 Q Has Mark Goodwin had any role whatsoever in
- 18 Peninsula since October of 1982?
- 19 A I'm a little vaque on this because it was 20 years
- 20 ago, but there is a possibility that he may have worked a
- 21 few months after he sold his stock. I don't recollect for
- 22 sure, but basically he was out of the company at roughly the
- 23 time that his stock was sold.
- O Has Joyce Goodwin had any role whatsoever in
- 25 Peninsula since October 1982?

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- 2 Q Do you currently perform engineering services for
- 3 Peninsula?
- 4 A Yes.
- 5 Q Could you please describe in a general way that
- 6 you do?
- 7 A Everything. Technical, everything that's
- 8 technically involved with the station, I perform.
- 9 0 That would mean not only the studies but actually
- 10 hands-on going out and making sure the equipment works?
- 11 A Yes.
- 12 Q Repairing equipment when it doesn't work properly?
- 13 A Yes.
- 14 Q Calibrating equipment?
- 15 **A** Yes.
- 16 Q How long have you performed such services for
- 17 Peninsula?
- 18 A Since the beginning.
- 19 Q You have been the engineer?
- 20 **A** Yes.
- 21 Q Do you currently have any responsibilities
- pertaining to sales of advertising time for Peninsula?
- 23 A I oversee sales.
- Q Do you have any sales duties yourself?
- A Minimal.

- 1 Q What might they be?
- 2 A An occasional client if one of my salespeople are
- 3 unavailable to help them, I will step in and make sure they
- 4 get on the air.
- Now has that role changed over the years?
- 6 A Essentially not.
- 7 Q You have had people performing sales duties and
- 8 you oversee those individuals?
- 9 A Yes.
- 10 Q Who would be your sales manager or chief
- 11 salesperson at this point?
- 12 A Tiarnon Coval.
- 13 Q How long has he held that responsibility?
- 14 A Approximately 10 or 12 years. I couldn't tell you
- 15 exactly.
- Q What responsibility, if any, does Mr. Coval have
- to bring to your attention that which he wants to do in the
- 18 sales area?
- 19 A Mr. Coval is sales manager and I have delegated
- 20 him authority to handle sales. Whatever needs to be done,
- 21 he's been given authority to do it to make sales.
- 22 Q And that would include specific presentations that
- 23 he or his salespeople make?
- 24 A It would include that.
- Q Does anybody other than Mr. Coval have managerial

- 1 responsibilities with respect to sales?
- 2 A No.
- 3 Q Since May of 2001, has Peninsula sold advertising
- 4 in Kodiak?
- 5 A Yes.
- 6 O Did Peninsula incur any cost with respect to such
- 7 sales?
- 8 A Yes.
- 9 O Could you describe generally what those costs
- 10 might be
- 11 A I don't know.
- 12 Q Would they include travel to and from Kodiak?
- 13 A That would be a cost.
- 15 **A** Yes.
- 16 O Car rental?
- 17 **A** Yes.
- 18 Q And commission?
- 19 A Yes.
- 20 O Anything else that comes to mind?
- 21 **A** Food.
- 22 O Approximately how often from May of 2001 were
- 23 sales trips made to Kodiak?
- 24 A There were no sales trips to Kodiak to the best of
- 25 my knowledge since April of 2002.

- Description But there were sales trips between May of 2001 and
- 2 April of 2002?
- 3 A Yes. I would say perhaps three trips.
- 4 Q Did Peninsula generate any revenue from Kodiak?
- 5 A A small amount of revenue, yes.
- 6 Q Can you approximate how much?
- 7 A No.
- 8 Q Do you review the sales that take place in Kodiak,
- 9 or is that somebody else's responsibility?
- 10 A I don't review every time order that comes in, and
- I review our monthly summaries, but I don't review
- individual time orders, unless there's a need to review
- 13 them.
- 14 Q Do the monthly summaries reflect whether or not
- 15 revenue was generated from Kodiak?
- 16 A Yes.
- 17 Q Are you aware of any months subsequent to May 2001
- where revenue did not come in from Kodiak?
- 19 A I couldn't tell you without looking at the
- 20 summaries.
- 21 Q Since May 2001, has Peninsula sold advertising
- 22 time for KWBV-FM Homer in the Kenai and Soldotna area?
- $\mathbf{A}$  Yes.
- Q Did Peninsula incur any cost with respect to such
- 25 sales?

- 1 A Yes.
- 2 Q Those costs would be what?
- 3 A I can't give you a specific breakdown but just our
- 4 operating costs in general are incorporated into what it
- 5 takes to make sales.
- 6 Q So what we're talking about here primarily would
- 7 be commissions?
- 8 A No. There are other expenses in addition to
- 9 commissions.
- 10 0 Such as?
- 11 A Salesmen are reimbursed for gas, for supplies,
- 12 Internet expenses to run their computers, reproduction costs
- if we do, if we have to repair sales presentations.
- 14 Q Did Peninsula generate any revenue by selling
- advertising time on KWVV-FM in Kenai and Soldotna subsequent
- 16 to May 2001?
- 17 A Yes.
- 19 A No.
- 20 Q Since May of 2001, has Peninsula sold advertising
- 21 time for KPEN-FM in Homer?
- 22 A Yes.
- 23 Q And if I asked you what cost Peninsula incurred,
- 24 it would be basically the same as the costs you have for
- 25 generating sales in other areas?

1	Δ	Yes
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- 2 Q Do you know approximately what those costs were?
- 3 A No.
- 4 Q Did Peninsula generate any revenue by selling
- 5 advertising time on KPEN-FM in Homer?
- A Yes.
- 7 Q Do you know approximately how much since May of
- 8 2001?
- 9 A No.
- 10 0 I can see you shake your head, but the court
- 11 reporter can't.
- 12 A I said no.
- Okay. Has Peninsula generated any revenue by
- selling advertising time on KXBA in Homer?
- 15 A I would say yes, but I'm not positive.
- 16 O Is there any reason why you wouldn't be positive
- one way or the other?
- A Because it's, KXBA is sold primarily in the Kenai
- 19 Soldotna area. There may be perhaps a contract where it
- 20 included or someone from Homer may have purchased time on
- 21 that, but I couldn't tell you without looking at the
- 22 contracts. It's generally not done.
- 23 Q Would the salespeople located in Homer itself be
- the ones who would sell advertising time on KXBA in Homer?
- 25 A Salespeople are based geographically, so in

- 1 general, a salesman in Homer would sell any of our four
- 2 stations if there were an opportunity to do so. A salesman
- 3 in Kenai likewise would sell any of our four stations if the
- 4 opportunity was there.
- 5 Q Has Peninsula generated revenue by selling
- 6 advertising time on its stations to agencies located in
- 7 Anchorage subsequent to May 2001?
- 8 A Yes.
- 9 Q Has Peninsula generated revenue by selling
- 10 advertising time on its stations to agencies located outside
- the State of Alaska since May of 2001?
- 12 A Yes.
- 13 MR. SHOOK: Your Honor, I'm going to be
- 14 referencing now a document that's in our package of
- 15 exhibits. I guess after I have, after the witness testifies
- 16 about it, then I'll determine whether or not to move it into
- 17 evidence.
- 18 JUDGE SIPPEL: I think so. I mean, most of the
- 19 documents that you have, they're not controverted documents.
- These are just mostly commission-type documents?
- 21 MR. SHOOK: Well certainly the official notice
- 22 documents would fall into that category, but there are
- 23 arguably some documents in the EB exhibits which I have no
- idea, you know, what Mr. Southmayd's plans are relative to
- 25 them.

1	JUDGE SIPPEL: okay. Let me suggest this. Let's
2	try and use these documents as freely as possible, certainly
3	identifying for the record what you're referring to and
4	unless there's an objection and I have to make a specific
5	ruling on its admissibility, I'm going to assume that these
6	will be admissible and we will put them into the record at a
7	later time, before we conclude.
8	MR. SOUTHMAYD: May I ask a question, Your Honor.
9	JUDGE SIPPEL: Sure. Go ahead.
1 0	MR. SOUTHMAYD: I don't want to unnecessarily
11	interfere with the examination. If Mr. Becker should be
12	examined on a proposed exhibit that should later be not
13	admitted into evidence, it's not clear to me what the effect
14	of his testimony, then, would be.
15	JUDGE SIPPEL: All right. Let me say something
16	very quickly for that. If the document is referred to in
17	the course of the question and you're going to have an
18	objection it, you have an objection to it, you note your
19	objection right then and there and we'll take care of it
20	right then and there, but if you're not objecting to it and
2 1	this is just going along smoothly, then I'm just going to
22	let it go that way and we will put them in the record at the
23	end or, you know, at a convenient time. I don't want to be
24	stopping and starting with the witnesses if I can avoid

25

that.

- MR. SOUTHMAYD: Right. So my opportunity to
- 2 object to an exhibit --
- 3 JUDGE SIPPEL: Is when it comes up for question.
- 4 MR. SOUTHMAYD: I see.
- 5 JUDGE SIPPEL: If you've got a problem with it,
- 6 we'll take care of it.
- 7 MR. SOUTHMAYD: Thank you, Your Honor.
- JUDGE SIPPEL: Is that okay with you, Mr. Shook?
- 9 MR. SHOOK: Certainly.
- 10 JUDGE SIPPEL: We will get all of these documents
- 11 marked, put into the record as exhibits or rejected as
- exhibits before we close down here this week. Go ahead.
- MR. SHOOK: Your Honor, I need to approach the
- 14 witness.
- 15 JUDGE SIPPEL: Sure. This is going to be an
- official notice exhibit or one of the other ones?
- MR. SHOOK: One of the other ones.
- JUDGE SIPPEL: Okay. I just want to get the right
- 19 book out.
- 20 MR. SHOOK: Madame Court Reporter, did you hear
- 21 what I just said there?
- THE REPORTER: What type was it?
- 23 MR. SHOOK: Not an official notice exhibit, one of
- the others.
- MR. SOUTHMAYD: Your Honor, if it would assist

- counsel, we have copies of the exhibits if that would assist
- 2 his examination.
- JUDGE SIPPEL: Do you want to just put the --
- 4 Let's go off the record for just a minute.
- 5 (Whereupon, a brief recess was taken.)
- 6 JUDGE SIPPEL: On the record.
- 7 MR. SHOOK: Enforcement Bureau's exhibit.
- 8 JUDGE SIPPEL: Okay, this is a set of the
- 9 Enforcement Bureau's exhibits that are tabbed, what are they
- 10 tabbed 1 through 25. Is that correct, Mr. Shook?
- MR. SHOOK: Yes, sir.
- 12 JUDGE SIPPEL: And this is a set that was
- furnished to counsel for Peninsula on the exchange date and
- that's set, that was exchanged with counsel for Peninsula,
- 15 what Mr. Southmayd has now been proofing for the witness,
- 16 Mr. Becker, and I have my courtesy set in front of me and
- 17 Mr. Shook, you may proceed as you see fit.
- 18 BY MR. SHOOK:
- 19 Q Mr. Becker, I'd like you to turn to tab 21, the
- 20 document that follows tab 21.
- JUDGE SIPPEL: Let's be sure. This document,
- then, is from Richard Pomeroy?
- MR. SHOOK: I'm sorry, it's addressed to Richard
- 24 Pomeroy --
- JUDGE SIPPEL: To Richard Pomeroy.

MR. SHOOK: -- from Kenneth P. Jakobus.

- JUDGE SIPPEL: And it's a one-page letter. Do you
- 3 have that in front of you?
- 4 MR. SOUTHMAYD: May I correct the, may I correct
- 5 his name?
- JUDGE SIPPEL: Sure.
- 7 MR. SOUTHMAYD: It's Jakobus.
- 8 MR. SHOOK: You tried to teach me before, and I've
- 9 forgotten.
- 10 JUDGE SIPPEL: So this is EB Number 21. It's
- 11 marked as EB 21. Go ahead, Mr. Shook.
- 12 BY MR. SHOOK:
- 13 Q Mr. Becker, my question to you is did you
- 14 authorize Mr. Jakobus to send this letter?
- 15 A Mr. Jakobus was my counsel and he generated the
- 16 letter. I got a copy of it after he sent it to Richard
- 17 Pomeroy.
- 18 Q Is there anything in that letter with which you
- 19 would disagree?
- 20 A The first sentence, back up, "Peninsula
- 21 Communications cannot voluntarily cease operation because it
- 22 will destroy the business and livelihood of the owners and
- 23 employees". I did not authorize him to put that sentence in
- there. It was our general view at the time, however, we
- 25 were still under a stay from the Ninth Circuit, and until

- 1 the stay issued, we felt we had the right to be on the air
- 2 under the authority of the stay.
- 3 Q So what sentence, if any, should be in there to
- 4 make that correct?
- 5 A I can't speculate.
- Q Did you tell Mr. Jakobus afterwards that what he
- 7 said there was inaccurate?
- 8 A No. It never came up.
- 9 JUDGE SIPPEL: Sir, are you finished with that? I
- 10 just want to, I'm not clear about this. Are you saying that
- that sentence that you just read into the record that's on
- 12 EB 21, is not accurate?
- 13 THE WITNESS: Peninsula did voluntarily cease
- 14 operation when the stay was finally --
- 15 JUDGE SIPPEL: Oh, no, no, no. That's not my
- 16 question. This says, exactly as you read it into the
- 17 record, "Peninsula Communications cannot voluntarily cease
- operation because that will destroy the business and the
- 19 livelihoods of the owners and employees, period".
- THE WITNESS: Yes.
- 21 JUDGE SIPPEL: I thought your testimony was was
- that you did not, you, certainly it's clear that you did not
- 23 authorize this sentence. My next question is do you agree
- with the factual accuracy or -- Let me restate the
- 25 question. Is the statement factually accurate as of the

- date that it was written?
- THE WITNESS: No.
- JUDGE SIPPEL: All right. Thank you.
- 4 MR. SHOOK: Your Honor, I would like to refer to a
- deposition that we took of Mr. Becker, specifically pages
- 6 157, 158 --
- JUDGE SIPPEL: Do you have a copy for me?
- 8 MR. SHOOK: Your Honor, I believe we have extra
- 9 copies upstairs. I'm not sure that --
- 10 JUDGE SIPPEL: Does somebody have a copy I could
- 11 borrow?
- 12 MR. SOUTHMAYD: Your Honor, if I could be heard, I
- don't have a copy either.
- 14 JUDGE SIPPEL: I can't help you right now myself.
- 15 You're going to have to certainly show it to the witness.
- 16 Why don't we go off the record for just a minute.
- 17 (Whereupon, a brief recess was taken.)
- 18 JUDGE SIPPEL: We're back on the record
- 19 MR. SHOOK: Your Honor, did you state that you did
- 20 not have a copy of Mr. Becker's deposition?
- JUDGE SIPPEL: I did state I don't have a copy of
- 22 his deposition.
- 23 MR. SHOOK: All right. I have given Mr. Southmayd
- 24 a copy. Mr. Becker has a copy up there. You can hold onto
- 25 yours.

- 1 JUDGE SIPPEL: Thank you very much, Mr. Shook.
- 2 BY MR. SHOOK:
- 3 Q Mr. Becker, I would ask you to take a look at your
- 4 deposition beginning at page 157, beginning at line 17. You
- 5 will see that the question there focuses on the May 25, 2002
- 6 letter to Mr. Pomeroy from Mr. Jakobus.
- 7 A Yes.
- 8 Q Now if you would read through to yourself the rest
- 9 of page 157 and page 158 to satisfy yourself that we're
- 10 still focusing on that letter.
- 11 JUDGE SIPPEL: Let's go off the record until the
- 12 witness is ready to answer. Thank you, ma'am.
- (Whereupon, a brief recess was taken.)
- JUDGE SIPPEL: On the record. He says he's all
- 15 set to go.
- 16 THE WITNESS: I'm ready.
- 17 BY MR. SHOOK:
- 18 Q You've had a chance to read through to page 160?
- 19 A Yes.
- 20 Q Now Mr. Becker, I'd like you to focus your
- 21 attention on page 159, line 15. Did I not ask you the
- 22 question, "Now I take it you authorized Mr. Jakobus to send
- this letter to Mr. Pomeroy? Answer: Let me look at it
- 24 again, yes. Question: Now is his statement concerning the
- destruction of the business and livelihoods of the owners

- 1 and employees accurate? Answer: Yes. That's an accurate
- 2 statement."
- 3 Did I read that correctly?
- 4 A You did.
- 5 Q Were you under oath when you stated what you did?
- 6 A But I did clarify it later.
- 7 Q And to what are you referring?
- 8 A To page 160, line 5 and line 8.
- 9 Q Should we then also include lines 9 and 10,
- 10 question being, and 11, being, "All right. So more
- properly, it would hurt the business but it wouldn't destroy
- 12 the business? Answer: What's the difference?" Did I read
- 13 that correctly?
- 14 A Yes.
- 15 Q Mr. Becker, who are Peninsula's current directors?
- 16 A Myself as President and my wife, Eileen, as
- 17 Secretary-Treasurer.
- 18 Q Just to make sure we're speaking the same
- 19 language, I'm using the term directors as opposed to the
- 20 term officers.
- 21 A Yes. Two directors, Eileen and myself.
- 22 O Since October of 1982, has there been a time when
- 23 persons other than yourself and Eileen Becker were directors
- of Peninsula?
- 25 A Yes. I recall Chris Willard was a director.

- 1 Q Approximately when was Mr. Willard a director?
- 2 A I don't know.
- Q Was the reason that you had him as a director was
- 4 that he was a local resident of Soldotna?
- 5 A No.
- 6 Q What was the reason?
- 7 A Well, he was a resident of Kenai
- 8 Q Kenai and Soldotna being very close together?
- 9 A They are referred to as twin cities, fairly close
- 10 together.
- 11 Q How did it come to pass that Mr. Willard became a
- 12 director?
- 13 A We brought him on as a representative of the
- 14 community
- 15 Q Was that entirely on your own?
- 16 A No.
- 17 Q Was it in response to something?
- 18 A Yes.
- 19 Q What?
- 20 A It was an inquiry if I recall from Edith Weiss
- 21 regarding a local representative in the community, if I
- 22 remember. It's been about 15 or 16 years, so my
- 23 recollection is not super clear.
- O Did Mr. Willard's advent as a director have
- 25 anything to do with Peninsula attempting to convince the

Commission that it was complying with the main studio rule

- 2 with respect to KPEN-FM?
- 3 A Yes. We did comply and Mr. Willard was a director
- 4 until we had a local person residing who actually moved into
- our studio and was on premises essentially 24 hours a day.
- 6 0 Who was that?
- 7 A I believe the first person was Grant Shamonic.
- 8 Q So in other words, Mr. Shamonic came on to reside
- 9 at the KPEN office?
- 10 A Yes, it's, actually it's a house, so he lived
- there and also was an employee.
- 12 Q Is he still with Peninsula?
- 13 A No.
- 14 O Did somebody move in to that house after Mr.
- 15 Sharnonic left?
- 16 A Yes.
- 17 0 Who was that?
- 18 A Urm, I could find out, but I can't recall.
- 19 Q Is that person still with Peninsula?
- 20 A No.
- 21 Q Is there somebody who has succeeded that
- individual in terms of living at the KPEN location?
- 23 A Yes. We had a number of people in between
- 24 Shamonic and including Terry Coval who still works for me
- 25 and including Russell Hicks who worked up till about

- 1 approximately two years ago if I remember right.
- 2 Does somebody reside at the KPEN studio now?
- 3 **A** No.
- 4 Q How is that building staffed?
- 5 A Terry Coval and Gary Hondell work out of there as
- 6 strictly an office now and maintain regular business hours.
- 7 Q They use that as a sales office?
- 8 A Yes.
- 9 Q Is it used for any other purpose?
- 10 A Studio.
- 11 Q There's equipment there?
- 12 A Oh, yes.
- 13 Q Live programming take place there?
- 14 MR. SOUTHMAYD: Your Honor, I'm going to object.
- 15 I don't know how the programming practices of one of Mr.
- 16 Becker's stations is relevant to his operation of
- 17 translators during this discrete period of one year. It
- 18 seems to me we're getting rather far afield from the
- 19 designated issue here.
- JUDGE SIPPEL: Is that a relevance objection?
- MR. SOUTHMAYD: Yes, sir.
- JUDGE SIPPEL: Mr. Shook?
- 23 MR. SHOOK: Your Honor, I would direct everyone's
- attention to PCI Exhibit 1, page 11. The statement reads,
- "Over the past 23 years **of** broadcast operation, PCI has

- maintained a clean record of operations in connection with
- 2 all PCI stations" and then it goes on from there, and I am
- 3 simply exploring the accuracy of that assertion.
- 4 MR. SOUTHMAYD: Your Honor, record means of
- 5 record. If counsel has some indication of Peninsula being
- 6 cited by the Commission for not operating appropriately,
- 7 that would be one thing, but if we're on a fishing
- 8 expedition now to see whether Mr. Becker's operated his
- 9 stations within full compliance with all the rules over the
- 10 years, we're getting way far afield. I mean there's no
- 11 relevance to his operation of the translators there.
- MR. SHOOK: Your Honor, I would direct your
- 13 attention to the third sentence of that paragraph which
- 14 reads, "PCI has never intentionally or knowingly violated
- 15 FCC rules with the lone exception, et cetera". I'm simply
- 16 exploring the validity of that assertion.
- 17 JUDGE SIPPEL: Well how far are you going with
- 18 that?
- MR. SHOOK: Well Your Honor, we're almost finished
- 20 with this line of questioning.
- 21 JUDGE SIPPEL: I'll overrule the objection, but
- 22 you've got to limit it. Mr. Southrnayd is certainly right
- 23 about one thing. We're not going to take evidence in this
- 24 case, look for evidence in this case to find some kind of a
- 25 violation of the FCC rules that are not at issue in this